

Dear Chancellor,

Date

18.08.2022

Impact of rising energy costs on health outcomes and NHS services

We are writing to you on behalf of leaders of services across the NHS in England, Wales and Northern Ireland to raise their concern about the impact of rising energy costs on people's health and the knock-on effect this will have on NHS services. We are urging you to take urgent and direct additional action to support those who need it most as we approach winter.

For the attention of Chancellor of the Exchequer

Rt Hon Nadim Zahawi MP

CEU.Enquiries@hmtreasury.gov.uk

CC

Secretary of State for Health and Social Care

Secretary of State for Business, Energy and Industrial Strategy

We lead the NHS Confederation, the membership body that brings together, supports and speaks for the whole healthcare system in England, Wales and Northern Ireland. Collectively, we employ 1.5 million staff, care for more than 1 million patients a day and control £150 billion of public expenditure. We have been asked to convene this letter on an issue where NHS leaders, would not usually intervene – but they feel they can no longer stay silent.

Their starting point is that they are already seeing huge suffering in our local communities because of the cost of living crisis. With energy prices set to rise, they fear that many people will face the awful choice of skipping meals to heat their homes or having to put up with living in cold, damp, conditions. From a health perspective, this will inevitably lead to more illness up and down the country. It will lead to worse health outcomes, including damaging children's life chances, as well as exacerbating health inequalities that have already been widened as a result of the pandemic.

If people cannot afford to heat their homes sufficiently and if they cannot afford nutritious food, then their health will quickly deteriorate. This will increase the already high number of annual deaths associated with cold homes – estimated at around 10,000 a year. As health leaders, we are clear that unless urgent action is taken by government this will leave an indelible scar on local communities and cause a public health emergency.

More generally, the relationship between poverty and health is well understood, as is the impact of poor health and what it means for the economy in terms of people's life chances, and ability to participate in both the education and labour market.

Ahead of the decision on the new energy price cap that is expected on 26th August, they are therefore calling on you to safeguard those households who can't absorb energy prices rising by up to 82% and which are predicted to leave two thirds of households in fuel poverty by January 2023.

Their primary motivation in writing to you is to help prevent a public health emergency, but we also know that rising rates of poverty will lead to increased hospital admissions and as well as a huge increase in demand on other parts of the NHS, including primary and community care, mental health services and social care.

The NHS is already facing what many are predicting to be one of the toughest winters on record – due to already high demand on health services combined with predicted high levels of flu, norovirus and further covid outbreaks. We believe that failing to restrict energy price rises will make the situation worse by placing front-line services and staff under intolerable pressure.

Across their organisations, NHS leaders are already having to take a number of measures to support their staff through the cost of living crisis by, for example, convening food banks on site, providing salary advances and free school uniforms to the children of NHS staff. Put simply, we haven't faced a situation like this in decades.

We therefore urge you to set out a more targeted and detailed support package for those households who need it most in advance of the decision on the new energy price cap next week. With bills expected to go up by 82%, we believe the government's current policy of providing £400 (paid in monthly instalments) is not going to be nearly sufficient, even alongside the one-off payments for recipients of Universal Credit, disability benefits and the winter fuel allowance.

Failure to go beyond this risks a public health emergency and this must be avoided at all costs.



Matthew Taylor
Chief executive
NHS Confederation



Lord Victor Adebowale CBE
Chair
NHS Confederation